

**Management and Administration Plan**

**SUMMER FOOD SERVICE PROGRAM FOR CHILDREN**

**Projected for 2007**

**Health & Nutrition Services**

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## **INTRODUCTION**

The Management and Administration Plan for the Summer Food Service Program outlines the measures proposed to meet the requirements in the Summer Food Program regulations (Part 225.4) of the Federal Register. For the 2007 Plan, there are eight specific points that must be included.

The eight points are listed as they appear in the regulations. Each point is followed by a statement or data, which meets the criteria provided by the United States Department of Agriculture.

## **BACKGROUND**

The food service provided under the Summer Food Service Program is similar to the National School Lunch and School Breakfast Programs and is intended to serve as a substitute for those programs for children who are on school vacation. The program is primarily directed toward children from needy areas.

Arizona is required to write a Management and Administration Plan based on regulations. Certain narrative statements and statistical data have been included to meet specific approval criteria issued by the United States Department of Agriculture.

**225.4(d)(1) THE STATE'S ADMINISTRATIVE BUDGET FOR THE FISCAL YEAR 2007:**

TABLE 1-A

**ESTIMATED 2007 BUDGET FOR STATE  
ADMINISTRATIVE EXPENSES**

REVENUE

I. USDA Administrative Funding Formula:

20% of the first	\$ 50,000	\$ 10,000
10% of the next	\$ 100,000	\$ 10,000
5% of the next	\$ 250,000	\$ 12,500
2.5% of remaining funds	<u>\$ 835,309</u>	<u>\$ 20,883</u>

Estimated 2007 Funds	\$1,235,309	\$53,383
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II. State Contributions  
EXPENSES

1. Salaries		
a) School Lunch Specialist, Grade 21	1@60%	\$ 31,186
b) Employee Related Expenses		\$ 6,237
2. Travel Reimbursement Expenses		\$ 1,740
3. Rent		\$ 2,500
4. General Administrative Expenses		\$ 0
5. Outreach		\$ 5,000
	<b>Subtotal</b>	\$ 46,663
6. ADE Indirect Costs	14.4% of subtotal	\$ 6,719
	<b>Total Expenses</b>	\$ 53,383

**TABLE 1-B**  
**ESTIMATED SEAMLESS SPONSORS TRANSFERRING TO SIMPLIFIED (2005 Data)**

Sponsor Name	Admin H/L	Breakfast June	Lunch June	Snack June	Breakfast July	Lunch July	Snack July
Alhambra Elementary Dist.	H	27,916	43,079	-	2,712	6,205	0
Cartwright Elementary Dist.	H	8,474	18,849	-	825	4,584	0
Casa Grande Elementary Dist.	H	4,803	13,202	-	2,624	9,509	0
Chandler Unified Dist.	H	4,595	8,952	2,089	51	1,747	1781
Creighton Elementary Dist.	H	6,018	6,585	-	383	694	0
Dysart Unified Dist.	L	11,460	16,764	-	4,340	6,813	0
Eloy Elementary Dist.	H	4,876	6,629	-	729	1,767	0
Flagstaff Unified Dist.	H	8,252	11,486	-	10,879	17,854	0
Ganado Unified Dist.	H	2,498	9,653	-	601	2,030	0
Glendale Elementary Dist.	H	12,669	22,056	-	2,227	8,318	0
Humboldt Unified Dist.	H	2,876	9,151	-	2,427	6,980	0
Isaac Elementary Dist.	H	7,796	13,774	-	230	574	0
Littleton Elementary Dist.	H	6,876	10,819	-	1,404	2,389	0
Murphy Elementary Dist.	H	18,809	40,397	11,308	10,734	28,006	10777
Osborn Elementary Dist.	H	7,097	16,493	-	2,350	8,145	0
Peoria Unified Dist.	H	18,728	22,145	-	1,010	3,140	0
Phoenix Elementary Dist.	H	12,977	17,506	-	4,433	5,729	0
Roosevelt Elementary Dist.	H	18,362	27,697	-	11,230	16,439	0
Safford Unified Dist.	H	3,245	17,879	-	3,141	15,739	0
Tempe Elementary Dist.	H	29,933	31,992	855	9,508	11,237	492
Yuma Elementary Dist.	H	17,672	36,321	-	25,700	71,508	0
Yuma Union High School Dist.	H	2,632	31,610	-	1,180	15,040	0
		238,564	433,039	14,252	98,718	244,447	13050
Operating Rate		\$ 1.47	\$ 2.56	\$ 0.59	\$ 1.47	\$ 2.56	\$ 0.59
Operating MxR		\$ 350,689.08	\$ 1,108,579.84	\$ 8,408.68	\$ 145,115.46	\$ 625,784.32	\$ 7,699.50
Self Prep Admin Rate		0.145	0.2675	0.0725	0.145	0.2675	0.0725
Self Prep Admin MxR		32,930.08	111,353.56	1,033.27	13,684.81	63,567.10	946.13
Vended Admin Rate		0.115	0.2225	0.0725	0.115	0.2225	0.0725
		1,317.90	3,729.99	-	499.10	1,515.89	-

TABLE 1-C  
ESTIMATED COSTS  
BASED ON 2005 SEAMLESS SPONSOR DATA

	Operating	Admin.
Estimated Traditional Reimbursement	\$1,122,958.00	\$ 113,966.00
Estimated Seamless Transfers Reimbursement	<u>\$2,246,276.88</u>	<u>230,577.83</u>
Grand Total Estimated Reimbursement	<b>\$3,369,234.88</b>	<b>\$ 344,543.83</b>

Estimated Reimbursement    \$    3,713,779

20% of the First	\$    50,000.00	\$    10,000.00
10% of the Next	\$    100,000.00	\$    10,000.00
5% of the Next	\$    250,000.00	\$    12,500.00
2.5% of the Remaining	<u>\$3,313,778.71</u>	<u>\$    82,844.47</u>
Total Revenue		<b>\$    115,344</b>

## 2007 Budget Worksheet for Sponsor Reimbursement

### Funds Requested for Operational Costs

Meal Type	# of meals *	Reimb. Rate (2006)	Total (MxR)
Breakfast	154,099	1.47	\$226,525
Lunch	319,034	2.56	\$816,727
Snack	15,725	.59	\$9,277
Supper	6,102	2.56	\$15,621

**Grand Total: \$1,068,151.44**

### Funds Requested for Administrative Costs

Meal Type	# of Meals *	Reimb. Rate (2006)	Total (MxR)
Breakfast rural/self-prep	136,685	.1450	\$19,819
Breakfast urban/vended	17,414	.1150	\$2,002
Lunch Rural/self prep	283,433	.2675	\$75,818
Lunch Urban/self prep	36,601	.2225	\$7,921
Snack rural/self prep	15,725	.0725	\$1,140
Snack Urban/vended	0	.0725	0
Supper Rural/self prep	6,102	.2675	\$1,632
Supper Urban/vended	0	.2225	0

**Grand Total: \$108,334.00**

Estimated number of SFSP sponsors for summer 2007 = **35**

Estimated number of SFSP sites for summer 2007 = **253**

*\* Number of meals estimate based on 2005 data and potential Seamless transfers to Simplified*

**225.4(d)(2) THE STATE'S PLAN FOR USE OF PROGRAM FUNDS AND FUNDS FROM WITHIN THE STATE TO THE MAXIMUM EXTENT PRACTICABLE TO REACH NEEDY CHILDREN**

**A. Outreach will be conducted through the following means:**

1. Posters providing a toll free hotline for the nearest SFSP sites will be placed in local WIC clinics, DOE field offices, food banks, and community action offices.
2. Ads will be placed in local newspapers April – June 06 with the toll free hotline for the nearest SFSP sites.
3. Telephone contacts will be made to potential sponsors in areas determined as under served. A map of Arizona was designed to track underserved areas.
4. Organizations requesting program information will be contacted and invited to training.
5. Active participation with the Arizona Hunger Council Advocacy committee promoting awareness of SFSP statewide.
6. Efforts will be made to create television and/or newspaper public interest stories promoting SFSP. ADE's Public Information Officer will assist the Health & Nutrition Unit to increase media coverage.
7. Every sponsor attending training will receive and be encouraged to use the sponsor tool kit to increase awareness of their programs to potential participants in their communities.
8. When conducting CRE's, an effort will be made by NSLP staff to promote the Summer Food Service Program to potential sponsors.
9. Interview successful SFSP sponsors. These sponsors will be highlighted during the SFSP training to promote outreach and increase participation.
10. ADE's nutrition newsletter SCOOPS will feature articles on SFSP year-round.
11. Contact and send informational packets and flyers that promote SFSP to Arizona Parks and Recreation Programs, Migrant Camps, YMCA/YWCA, churches, and other community programs.
12. SFSP program availability and workshop information will be advertised on [www.volunteerphoenix.org](http://www.volunteerphoenix.org), a website devoted to volunteer organizations in Arizona.
13. A kick-off SFSP "Outreach Day" workshop will be held in Mesa, Arizona March 21st.
14. Bookmarks, flyers, and door hangers will be printed in both English and Spanish and made available to all Arizona SFSP sponsors.

**B. Application Process:**

By March 1<sup>st</sup>, 2006, a brochure describing the purpose, eligibility criteria, availability, responsibility, and training requirements of the Program will be sent to the following:

1. Sponsors of the previous year's Summer Food Service Program.
2. Sponsors of the National School Lunch Program.
3. Any person or program that shows an interest of the SFSP.



**225.4(d)(3) THE STATE'S PLANS FOR PROVIDING TECHNICAL ASSISTANCE AND TRAINING TO ELIGIBLE SPONSORS:**

Workshops will be offered covering the following topics:

1. Purpose of the program
2. Site eligibility
3. Record keeping requirements
4. Meal requirements
5. Sponsor budget requirements
6. Food production
7. Health and sanitation
8. Reimbursement
9. Audit and Review
10. Civil Rights requirements
11. Commodities
12. Seamless Summer Option requirements
13. Outreach

The Arizona Department of Education will offer Summer Food Program workshops in three large Arizona cities. The workshops will cover program guidelines, meal requirements, commodities, outreach, application process, budget, reimbursement, and an overview of Seamless Summer Option vs. Simplified Summer Food Program. A Summer Food "Outreach Day" workshop will also be available to help sponsors increase participation in their programs. Training will be required for those sponsors who are new to the Summer Food Program.

**225.4(d)(4) THE STATE'S PLANS FOR MONITORING AND INSPECTING SPONSORS, FEEDING SITES, AND FOOD SERVICE MANAGEMENT COMPANIES, AND FOR ENSURING THAT SUCH COMPANIES DO NOT ENTER INTO CONTRACTS FOR MORE MEALS THAN THEY CAN EFFECTIVELY PROVIDE:**

All programs will receive training and program materials along with food specifications and quality standards.

1. The State will conduct pre-approval visits of the Simplified SFSP of the following:
  - a. All applicant sponsors that did not participate in the Program in the prior year (unless an NSLP review was conducted within 12 months and no significant deficiencies were noted). \*\*\*Waiver approved by FNS on 2/24/2006 to eliminate pre-approval visits for new sponsors to the Simplified Summer Food Program. Mandatory training will take place of the pre-approval requirement.
  - b. All applicant sponsors that had operational difficulties the prior year.
  - c. All sites which the SA determines are in need of a pre-approval visit.
2. The State will conduct reviews of Seamless Summer Option Participants during their regularly scheduled CRE.
3. The state will conduct Simplified SFSP reviews according to regulations and will ensure program compliance of sponsor operations and review at least 10 percent of the sponsor's sites or one site, whichever is greater, for:
  - a. Every new sponsor at least once during its first year of operation.
  - b. Sponsors whose program reimbursements, in the aggregate, account for at least one-half of the previous years total program meal reimbursement.
  - c. Every sponsor, which, in the determination of the state agency, experienced significant problems in the prior year.
  - d. All sponsors will be reviewed at least once every 3 years (except when "f" applies).
  - e. Follow-up reviews will be conducted as necessary.
  - f. Reviews may not be required of school sponsors that manage the Program when: (1) the sponsor manages the program with the same personnel as the school meal program; and (2) a review of the school food service operations conducted in the same year determined their operations to be satisfactory.
4. When approving an application to be served by a vendor, the state agency shall establish a cap on the total number to be served at any meal service for each site.
  - a. The cap shall be established according to the maximum approved level from the past performance; when a new program, the maximum shall be ten (10) percent over the planned number of children.
  - b. The maximum level may be adjusted up or down if attendance warrants it and written approval is given by the state agency.
  - c. Meals served over the cap will be disallowed.

5. Health Inspection requirements:

- a. No non-school site or food service management facility will be given approval without a current health inspection and notification to the appropriate health agency of their intent to operate the Program.
- b. Health inspection violations must be corrected prior to operating.

**225.4(d)(5) THE STATE'S PLAN FOR TIMELY AND EFFECTIVE ACTION AGAINST PROGRAM VIOLATORS:**

1. Complaints and irregularities will be investigated within 24 hours and a file of evidence will be constructed. If there is suspected fraud or criminal abuse, Food and Nutrition Service (FNS) will be notified. A Program found in non-compliance during review will be given three calendar days to explain in writing how the deficiencies have been corrected. Sponsors and food management companies will be notified of appeal rights.
2. Denial of applications or termination of a sponsor may result from:
  - a. Non-compliance with applicable bid procedures and contract requirements.
  - b. Submission of false information.
  - c. Failure to return to the state agency any advanced payments that exceeded the amount earned.
  - d. Program violations of significant proportion or at a significant number of sites.
  - e. Repeated non-compliance with meal service time restrictions.
3. Termination of sites may result from:
  - a. Failure to correct violations.
  - b. A threat to the health and safety of children.
4. Meal disallowance may result from:
  - a. Violations of meal service requirements.
  - b. Meals served in excess of approved level.
5. Food service management companies must be notified within 48 hours of the termination of a sponsor or site.

**225.4(d)(6) THE STATE'S PLAN FOR ENSURING FISCAL INTEGRITY OF SPONSORS  
NOT SUBJECT TO AUDITING REQUIREMENTS PRESCRIBED BY THE  
SECRETARY:**

1. Sponsor reviews conducted by School Health & Nutrition Program staff cover fiscal components of the program. The reviews verify that funds are used in accordance with applicable laws and regulations.
2. Computerized edit checks are included in the State's payment system to ensure the validity of claims submitted.

**225.4(d)(7) THE STATE'S PLAN FOR ENSURING COMPLIANCE WITH THE FOOD SERVICE MANAGEMENT COMPANY PROCUREMENT MONITORING REQUIREMENTS SET FORTH AT 225.6(h):**

1. A contract for use by Sponsors contracting with food management companies has been developed.
2. Sponsors whose contracts do not exceed \$10,000 in aggregate value, sponsors who are public entities, and sponsors with exclusive year-round contracts with a food management company are exempt. These exceptions do not relieve a sponsor of the responsibility to ensure that competitive procurement procedures are followed.
3. Sponsors whose total contracts exceed \$10,000 require sealed Bids (Formal Advertising).
4. All bids in an amount that exceeds the lowest bid and all bids totaling \$100,000 or more are submitted to the State for approval before acceptance. The State Agency shall respond to a request for approval of such bids within five working days of receipt.
5. Each food management company that submits a bid over \$100,000 shall obtain a bid bond in an amount not less than five percent or more than ten percent, as determined by the sponsor of the value of the contract for which the bids made. A copy of the bid bond shall accompany each bid.
6. Each food service management company, which enters into a food service contract for over \$100,000 with a sponsor, shall obtain a performance bond in an amount not less than ten percent nor more than 25 percent of the value of the contract, as determined by the State agency of the value of the contract for which the bid is made. Any food service management company that enters into more than one contract with any one sponsor shall obtain a performance bond covering all contracts if the aggregate amount of all contracts exceeds \$100,000. Sponsors shall require the food service management company to furnish a copy of the performance bonds within ten days of the awarding of the contract.
7. Food service management companies shall obtain bid bonds and performance bonds only from surety companies listed in the current Department of the Treasury Circular 570.
8. No sponsor or State Agency shall allow food service management companies to post any alternative forms of bid or performance bonds including, but not limited to cash, certified checks, letters or credit, or escrow accounts.

**225.4(d)(8) THE STATE'S NEED, IF ANY, FOR MONEYS AVAILABLE TO PAY FOR THE COST OF CONDUCTING HEALTH INSPECTIONS AND MEAL QUALITY TESTS:**

No moneys are needed for the costs of these services.

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**SUMMER FOOD SERVICE PROGRAM FOR CHILDREN**  
**Projected for 2007**

**Submitted By**

**Arizona Department of Education  
School Health & Nutrition Programs**

**Mary Szafranski  
Deputy Associate Superintendent**

\_\_\_\_\_  
**Signature of Chief Official of State Agency**

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**Title**

\_\_\_\_\_  
**Date**

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**Signature of Reviewing Official**

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**Title**

\_\_\_\_\_  
**Date**



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